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UNITED STATES OF AMERICA

11
12 IN THE UNITED STATES DISTRICT COURT
13 CENTRAL DISTRICT OF CALIFORNIA

14 *IN THE MATTER OF THE SEIZURE OF:*
15
16 UP TO AND INCLUDING \$250,000.00
IN BANK FUNDS HELD IN WESTERN
17 ALLIANCE ACCOUNT #XXXX6979

Case No. 2:18-MJ- 2878-RAO

**NOTICE OF MATERIAL
DEVELOPMENT**

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19 Plaintiff United States of America (the “government”), by and through its
20 counsel of record, the United States Attorney’s Office for the Central District of
21 California and Assistant United States Attorney John J. Kucera, hereby file this
22 Notice of Material Development.

23 On January 18, 2019, in *United States v. Lacey, et al.* 2:18-CR-00422-SPL
24 (D. Ariz.), counsel for defendant Andrew Padilla filed defendants’ Joint Status
25 Report (Dkt. No. 443).¹ The Report, attached as Exhibit A, claimed that the
26 government’s actions deprived defendants of resources necessary to defend their
27 case and reiterated defendants’ First Amendment concerns. Also on January 18,

28
¹ Defendants Lacey, Larkin, Spear, Brunst, and Vaught joined in this filing.

1 2019, the government filed its Status Memorandum (Dkt. No. 444), attached as
2 Exhibit B. Additionally, on January 23, 2019, the government filed its Response to
3 defendants' Joint Status Report. (Dkt. No. 446), attached as Exhibit C.

4 On January 25, 2019, at a status hearing, the Honorable Judge Stephen P.
5 Logan, United States District Judge for the District of Arizona, agreed to construe
6 defendants' "Status Report" as a motion to stay defendants' obligations and
7 deadlines under the scheduling order that governs defendants' federal criminal
8 prosecution in Arizona. Following argument, the Court denied defendants' motion
9 to stay. The Court's Order is attached as Exhibit D.

10 Separately, on January 23, 2019, the United States Court of Appeals for the
11 Ninth Circuit discharged its earlier order to show cause, and allowed expedited
12 briefing on defendants' appeal of the stay of civil forfeiture cases related to
13 Backpage (See Exhibit E, attached). The Circuit ordered the parties to brief
14 jurisdiction in addition to any other issues the parties wished to raise in their briefs.
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16 Dated: January 31, 2019

Respectfully submitted,

17 NICOLA T. HANNA
United States Attorney

18 LAWRENCE S. MIDDLETON
19 Assistant United States Attorney
20 Chief, Criminal Division

21 /s/ John J. Kucera
22 JOHN J. KUCERA
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24 Attorneys for Plaintiff
UNITED STATES OF AMERICA
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